

Handwritten initials and date: KCC 2/24/09

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL

Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

Operator: License # 5822
Name: VAL ENERGY, INC
Address: 200 W. DOUGLAS SUITE 520
City/State/Zip: WICHITA, KS 67202
Purchaser: MACLASKEY
Operator Contact Person: TODD ALLAM
Phone: (316) 263-6688
Contractor: Name: VAL ENERGY, INC
License: 5822
Wellsite Geologist: STEVE VAN BUSKIRK

Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SIOW Temp. Abd.
 Gas ENHR SIGW
 Dry Other (Core, WSW, Expl., Cathodic, etc)

If Workover/Re-entry: Old Well Info as follows:

Operator: _____
Well Name: _____

Original Comp. Date: _____ Original Total Depth: _____

Deepening Re-perf. Conv. to Enhr./SWD

Plug Back Plug Back Total Depth

Commingled Docket No. _____

Dual Completion Docket No. _____

Other (SWD or Enhr.?) Docket No. _____

9/15/08	9/26/08	11/10/08
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 15-155-21545-0000

County: RENO

SE NW NE Sec. 31 Twp. 26 S. R. 10 East West

350 feet from S (N) (circle one) Line of Section

2290 feet from (E) W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:

(circle one) (NE) SE NW SW

Lease Name: KERSCHEN TRUST Well #: V1-31

Field Name: UNKNOWN

Producing Formation: Mississippian

Elevation: Ground: 1771 Kelly Bushing: 1781

Total Depth: 4375 Plug Back Total Depth: 4213

Amount of Surface Pipe Set and Cemented at 241 Feet

Multiple Stage Cementing Collar Used? Yes No

If yes, show depth set _____ Feet

If Alternate II completion, cement circulated from _____

feet depth to _____ w/ _____ sx cmt.

Drilling Fluid Management Plan Air I NCR 3-9-09
(Data must be collected from the Reserve Pit)

Chloride content 68000 ppm Fluid volume 600 bbls

Dewatering method used HAULED

Location of fluid disposal if hauled offsite:

Operator Name: BULLSEYE OILFIELD SERVICE

Lease Name: CLARK SWD License No.: 31056

Quarter NW Sec. 10 Twp. 26 S. R. 12 East West

County: PRATT Docket No.: D-21405

INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information of side two of this form will be held confidential for a period of 12 months if requested in writing and submitted with the form (see rule 82-3-107 for confidentiality in excess of 12 months). One copy of all wireline logs and geologist well report shall be attached with this form. ALL CEMENTING TICKETS MUST BE ATTACHED. Submit CP-4 form with all plugged wells. Submit CP-111 form with all temporarily abandoned wells.

All requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Signature: Todd Allam

Title: PRESIDENT Date: 1/29/09

Subscribed and sworn to before me this 29 day of JANUARY

20 09

Notary Public: Brandi Wyer

Date Commission Expires: 2/24/2010

KCC Office Use ONLY

Letter of Confidentiality Received

If Denied, Yes No Date: 3/03/09

Wireline Log Received

Geologist Report Received

UIC Distribution

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KANSAS CORPORATION COMMISSION

JAN 30 2009

NOTARY PUBLIC - State of Kansas
BRANDI WYER
My Appt. Expires 2/24/2010

CONSERVATION DIVISION
WICHITA KS

Operator Name: VAL ENERGY, INC Lease Name: KERSCHEN TRUST Well #: V1-31
 Sec. 31 Twp. 26 S. R. 10 East West County: RENO

INSTRUCTIONS: Show important tops and base of formations penetrated. Detail all cores. Report all final copies of drill stems tests giving interval tested, time tool open and closed, flowing and shut-in pressures, whether shut-in pressure reached static level, hydrostatic pressures, bottom hole temperature, fluid recovery, and flow rates if gas to surface test, along with final chart(s). Attach extra sheet if more space is needed. Attach copy of all Electric Wireline Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Submit Copy)</i> List All E. Logs Run: DUAL INDUCTION LOG MICRO LOG COMPENSATED DENSITY/NEUTRON PE LOG	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td><input checked="" type="checkbox"/> Log</td> <td>Formation (Top), Depth and Datum</td> <td><input type="checkbox"/> Sample</td> </tr> <tr> <td>Name</td> <td>Top</td> <td>Datum</td> </tr> <tr> <td>HEEBNER</td> <td>3373</td> <td>-1592</td> </tr> <tr> <td>LANSING</td> <td>3552</td> <td>-1771</td> </tr> <tr> <td>STARK SHALE</td> <td>3842</td> <td>-2061</td> </tr> <tr> <td>BASE KC</td> <td>3920</td> <td>-2139</td> </tr> <tr> <td>CHEROKEE SHALE</td> <td>4007</td> <td>-2226</td> </tr> <tr> <td>MISSISSIPPIAN</td> <td>4036</td> <td>-2255</td> </tr> <tr> <td>KINDERHOOK</td> <td>4105</td> <td>-2324</td> </tr> <tr> <td>VIOLA</td> <td>4278</td> <td>-2497</td> </tr> </table>	<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample	Name	Top	Datum	HEEBNER	3373	-1592	LANSING	3552	-1771	STARK SHALE	3842	-2061	BASE KC	3920	-2139	CHEROKEE SHALE	4007	-2226	MISSISSIPPIAN	4036	-2255	KINDERHOOK	4105	-2324	VIOLA	4278	-2497
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VIOLA	4278	-2497																													

CASING RECORD <input checked="" type="checkbox"/> New <input type="checkbox"/> Used							
Report all strings set-conductor, surface, intermediate, production, etc.							
Purpose of String	Size Hole Drilled	Size Casing Set (In O.D.)	Weight Lbs. / Ft.	Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives
SURFACE	12 1/4	8 5/8	24	241	60/40 POZ	200	3%CC 2% GEL
PRODUCTION	7 7/8	5 1/2	14	4213	AA2	100	

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate <input type="checkbox"/> Protect Casing <input type="checkbox"/> Plug Back TD <input type="checkbox"/> Plug Off Zone				

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)	Depth
2 SPF	4048-4061	850 GAL 15% NE-FE ACID, 700 BBLs FOAM FRAC, 20000LBS SAND	4048-4061

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TUBING RECORD		Size	Set At	Packer At	Liner Run
					<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr.		Producing Method			
1/10/2009		<input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)			
Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity
	10	8	125		

Disposition of Gas Vented Sold Used on Lease *(If vented, Submit ACO-18.)*

METHOD OF COMPLETION Open Hole Perf. Dually Comp. Commingled Other (Specify) _____

Production Interval _____



VAL ENERGY, INC.

200 W. Douglas, Suite 520

Wichita, Kansas 67202

Office: (316) 263-6688 Fax: (316) 262-2512

January 29, 2009

Kansas Corporation Commission
130 S. Market # 2078
Wichita, KS 67202

Re: API 15-15-155-21545

To Whom It May Concern:

Please hold all information confidential for the Kerschen Trust #V1-31 located in the SE NW NW NE Sec. 31-26S-10W Reno County, Kansas.

Sincerely,

Todd Allam

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CONSERVATION DIVISION
WICHITA, KS

INVOICE

24 S. Lincoln Street
P.O. Box 31
Russell, KS 67665-2906
Voice: (785) 483-3887
Fax: (785) 483-5566

Invoice Number: 116090
Invoice Date: Sep 16, 2008
Page: 1

Bill To:
Val Energy, Inc.
200 W. Douglas
STE #520
Wichita, KS 67202

Handwritten signature

9208

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SEP 19 2008

Customer ID	Well Name# or Customer P.O	Payment Terms	
Val	<i>KERSCHEN</i> Kerachon Trust # <i>VI-31</i>	Net 30 Days	
Job Location	Camp Location	Service Date	Due Date
KS2	Medicine Lodge	Sep 16, 2008	10/16/08

Quantity	Item	Description	Unit Price	Amount
200.00	MAT	Class A Common	15.45	3,090.00
4.00	MAT	Gel	20.80	83.20
7.00	MAT	Chloride	58.20	407.40
211.00	SER	Handling	2.40	506.40
45.00	SER	Mileage 2:1 sx @ .10 per sk per mi	21.10	949.50
1.00	SER	Surface	1,018.00	1,018.00
45.00	SER	Mileage Pump Truck	7.00	315.00
1.00	SER	Head Rental	113.00	113.00
1.00	EQP	Wooden Plug	68.00	68.00

Cement Surface Casing

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ALL PRICES ARE NET, PAYABLE 30 DAYS FOLLOWING DATE OF INVOICE. 1 1/2% CHARGED THEREAFTER. IF ACCOUNT IS CURRENT, TAKE DISCOUNT OF

\$ 655.05

ONLY IF PAID ON OR BEFORE

Oct 16 2008

Subtotal	6,550.50
Sales Tax	229.86
Total Invoice Amount	6,780.36
Payment/Credit Applied	
TOTAL	6,780.36

655.05
6,125.31

ALLIED CEMENTING CO., LLC. 32435

REMIT TO P.O. BOX 31
RUSSELL, KANSAS 67665

SERVICE POINT:

Medicine Lodge, KS

DATE <u>9-16-08</u>	SEC. <u>31</u>	TWP. <u>26S</u>	RANGE <u>10W</u>	CALLED OUT <u>9-15 11:00 pm</u>	ON LOCATION <u>9-16 2:00 pm</u>	JOB START <u>9-16 5:00 pm</u>	JOB FINISH <u>5:30 pm</u>
LEASE <u>Kerschon Truss</u>			WELL # <u>X V4-31</u>		LOCATION <u>Preston KS, 1/2 on Hwy 61</u>		COUNTY <u>RENO</u>
STATE <u>KS</u>			OLD OR NEW (Circle one) <u>NEW</u>				

CONTRACTOR VGI #6

TYPE OF JOB Surface

HOLE SIZE 12 1/4 T.D. 241

CASING SIZE 8 5/8 DEPTH 241

TUBING SIZE _____ DEPTH _____

DRILL PIPE _____ DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM _____

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. 1.5

PERFS. _____

DISPLACEMENT 14 1/4 bbls of fresh water

OWNER VGI Energy

CEMENT

AMOUNT ORDERED 200sx Class A + 3% oil

2% Gel

COMMON	<u>200 A</u>	@ <u>15.45</u>	<u>3090.00</u>
POZMIX		@	
GEL	<u>4</u>	@ <u>20.80</u>	<u>83.20</u>
CHLORIDE	<u>7</u>	@ <u>58.20</u>	<u>407.40</u>
ASC		@	
HANDLING	<u>211</u>	@ <u>2.40</u>	<u>506.40</u>
MILEAGE	<u>45 x 211 x .10</u>		<u>949.50</u>
			TOTAL <u>5036.50</u>

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REMARKS:

Pipe on bottom & brook circulation
Pump 3 bbls of fresh water & head
mix 200sx of cement, start
displacement, pump 14 1/4 bbls
& shut in, cement did circulate

CHARGE TO: VGI Energy

STREET _____

CITY _____ STATE _____ ZIP _____

SERVICE

DEPTH OF JOB	<u>241</u>		
PUMP TRUCK CHARGE			<u>1018.00</u>
EXTRA FOOTAGE		@	
MILEAGE	<u>45</u>	@ <u>7.00</u>	<u>315.00</u>
MANIFOLD		@	
<u>Head Rental</u>		@ <u>113.00</u>	<u>113.00</u>
			TOTAL <u>1446.00</u>

PLUG & FLOAT EQUIPMENT

<u>8 5/8</u>			
<u>1-Wooden Plug</u>	@ <u>68.00</u>		<u>68.00</u>
	@		
	@		
	@		
			TOTAL <u>68.00</u>

To Allied Cementing Co., LLC.
You are hereby requested to rent cementing equipment and furnish cementer and helper(s) to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or contractor. I have read and understand the "GENERAL TERMS AND CONDITIONS" listed on the reverse side.

PRINTED NAME Randy Martin

SIGNATURE Randy Martin

SALES TAX (If Any) _____

TOTAL CHARGES ~~1446.00~~

DISCOUNT ~~68.00~~ IF PAID IN 30 DAYS

ANY APPLICABLE TAX WILL BE CHARGED UPON INVOICING



Pratt

PAGE 1 of 2	CUST NO 1970-VAL002	INVOICE DATE 09/26/2008
INVOICE NUMBER 1970002567		

B VAL ENERGY
I 200 W. DOUGLAS
L SUITE 520
T WICHITA KS 67202
O ATTN:

J LEASE NAME Kerschen Trust
O WELL NO. ~~X VI-31~~
B COUNTY Reno
S STATE KS
I JOB DESCRIPTION Cement-New Well Casing/Pipe:
T JOB CONTACT

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SEP 27 2008

9308

JOB #	EQUIPMENT #	PURCHASE ORDER NO.	TERMS	DUE DATE
1970-02573	301		Net 30 DAYS	10/26/2008
For Service Dates: 09/25/2008 to 09/25/2008				
1970-02573				
1970-19027 Cement-New Well Casing 9/25/08				
Pump Charge-Hourly			1.00 Hour	2520.000 2,520.00
Depth Charge; 4001'-5000'				
Cementing Head w/Manifold			1.00 EA	250.000 250.00
Plug Container Utilization Charge				
Cement Float Equipment			1.00 EA	290.000 290.00
5 1/2" Basket				
Cement Float Equipment			1.00 EA	215.000 215.00
Flapper Type Insert Float Valves				
Cement Float Equipment			1.00 EA	250.000 250.00
Guide Shoe-Regular				
Cement Float Equipment			1.00 EA	105.000 105.00
Top Rubber Cement Plug				
Cement Float Equipment			5.00 EA	110.000 550.00
Turbolizer				
Mileage			125.00 DH	1.400 175.00
Blending and Mixing Service Charge				
Mileage			30.00 DH	7.000 210.00
Heavy Equipment Mileage				
Mileage			125.00 DH	1.600 200.00
Proppant and Bulk Delivery Charges				
Pickup			15.00 Hour	4.250 63.75
Unit Mileage Charge(Pickups, Vans, or Cars)				
Additives			24.00 EA	4.000 96.00 T
De-foamer				
Additives			76.00 EA	7.500 570.00 T
FLA-322				
Additives			94.00 EA	5.150 484.10 T
Gas-Blok				
Additives			500.00 EA	0.670 335.00 T
Gilsonite				
Additives			479.00 EA	0.500 239.50 T
Salt				

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PAGE 2 of 2	CUST NO 1970-VAL002	INVOICE DATE 09/26/2008
INVOICE NUMBER 1970002567		

Pratt

B VAL ENERGY
I 200 W. DOUGLAS
L SUITE 520
T WICHITA KS 67202
O ATTN:

J LEASE NAME Kerschen Trust
O WELL NO. X V1-31
B COUNTY Reno
S STATE KS
I JOB DESCRIPTION Cement-New Well Casing/Pipe
T JOB CONTACT
E

JOB #	EQUIPMENT #	PURCHASE ORDER NO.	TERMS	DUE DATE		
1970-02573	301		Net 30 DAYS	10/26/2008		
			QTY	U of M	UNIT PRICE	INVOICE AMOUNT
Additives			1,000.00	EA	1.530	1,530.00 T
<i>Super Flush II</i>						
Cement			25.00	EA	12.000	300.00 T
<i>60/40 POZ</i>						
Cement			100.00	EA	17.000	1,700.00 T
<i>AA2 Cement</i>						
Supervisor			1.00	Hour	175.000	175.00
<i>Service Supervisor Charge</i>						

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 WICHITA, KS

PLEASE REMIT TO: BASIC ENERGY SERVICES, LP PO BOX 841903 DALLAS, TX 75284-1903	SEND OTHER CORRESPONDENCE TO: BASIC ENERGY SERVICES, LP PO BOX 10460 MIDLAND, TX 79702	BID DISCOUNT SUBTOTAL TAX INVOICE TOTAL	-1,949.09 8,309.26 268.15 8,577.41
--	--	--	--

BASIC

energy services, L.P.

FIELD ORDER

19027

Subject to Correction

Date 9-25-08	Customer ID	Lease Karschman Trust	Well # VI-31	Legal 31-26-10
		County RAW	State KS	Station PRH
CHARGE	VAL Energy	Depth 4219'	Formation	Shoe Joint 14'
		Casing 5 1/2	Casing Depth 4219'	TD
		Customer Representative	Treater Robert Johnson	Job Type CPW 5 1/2 L.S.

AFE Number	PO Number	Materials Received by X R.M.	K.G.
------------	-----------	-------------------------------------	-------------

Station Code	Product Code	QUANTITY	MATERIALS, EQUIPMENT, and SERVICES USED	UNIT PRICE	AMOUNT
P	CP105	100 SK	AA-2 cmt		1,200.00
	CP103	25 SK	60/40 P02		300.00
	CC105	24 lb	Difcank		96.00
	CC111	479 lb	Salt		239.50
	CC115	94 lb	gas Blok		484.10
	CC129	76 lb	FLA-322		570.00
	CC201	500 lb	oil service		335.00
	CC155	1,000 gal	Super Flush		1,530.00
	CF103	1 EA	Top Rubber Plug 5 1/2		105.00
	CF231	1 EA	guide shoe Reg		250.00
	CF1451	1 EA	Flapper Insert Float		215.00
	CF1651	5 EA	Tarbolizer		550.00
	CF1901	1 EA	Basket		290.00
	E101	30 mi	Heavy Equat Mils		210.00
	E112	125 ton	Bulk Deline		200.00
	E100	15 mi	packed mils		63.75
	CE200	125 sk	B Condens - mixing charge		175.00
	S003	1 EA	Service Supervisor		175.00
	CE205	1 EA	4 hr. Depth charge 4001'-5000'		2,520.00
P	CE504	1 EA	Plug Cement Rental		250.00

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WICHITA KS

Discussed with

P, 209.20

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TOTAL

TURON A-S 1/2 W 2010

*Ken
M
2/05/09*

BASIC

energy services, L.P.

TREATMENT REPORT

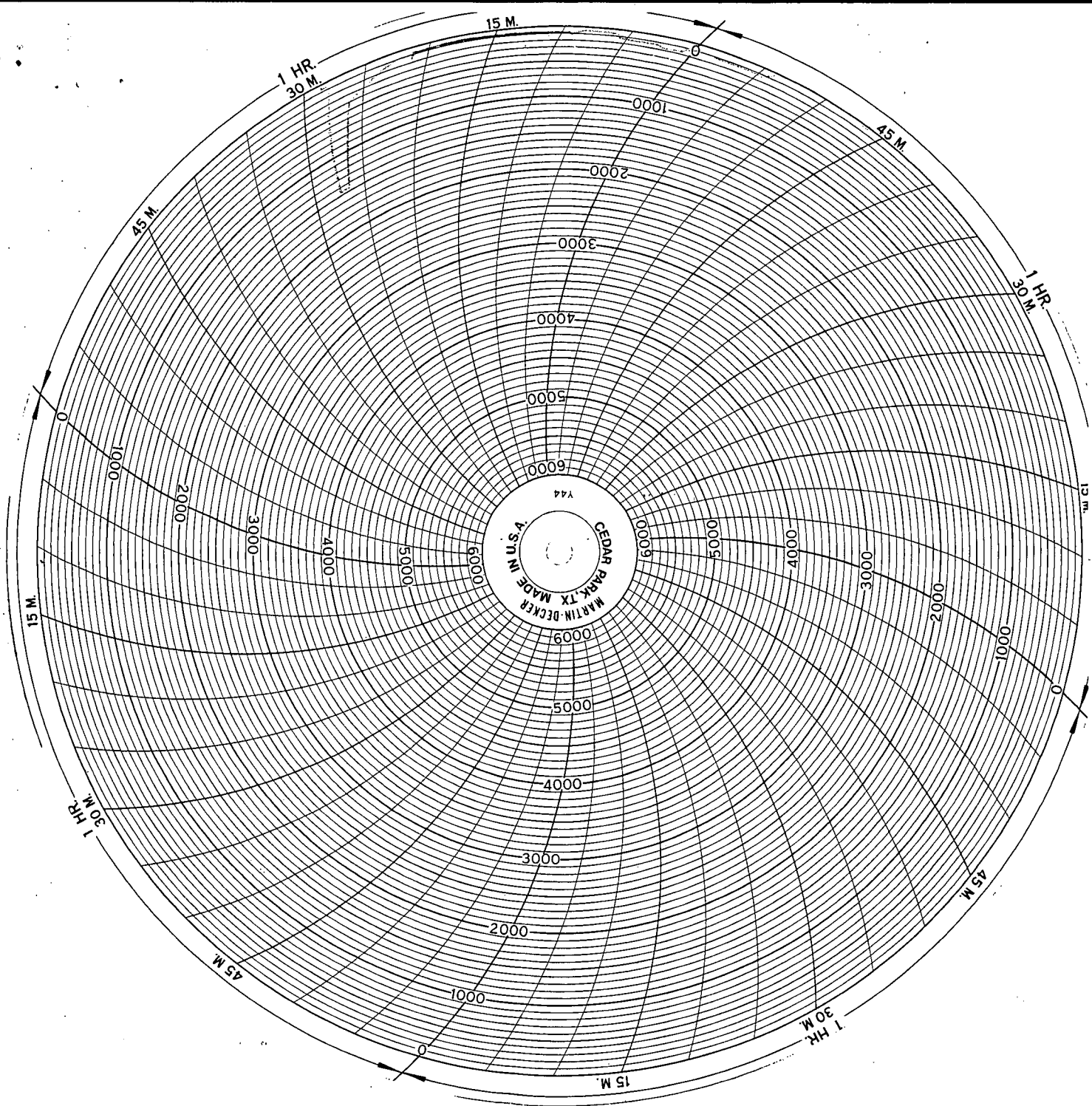
Customer VAL EIKR99		Lease No.		Date	
Lease Korschen Trust		Well # VI-31		9-25-08	
Field Order # 19027	Station PEN-H	Casing 5 1/2	Depth 4219'	County Reno	State KS
Type Job CNW 5 1/2 L.S			Formation	Legal Description 21-26-10	

PIPE DATA		PERFORATING DATA		FLUID USED	TREATMENT RESUME		
Casing Size 5 1/2	Tubing Size	Shots/Ft		Acid	RATE	PRESS	ISIP
Depth 4219'	Depth	From	To	Pre Pad.	Max		5 Min.
Volume 703	Volume	From	To	Pad	Min		10 Min.
Max Press 1500	Max Press	From	To	Frac	Avg		15 Min.
Well Connection P.C	Annulus Vol.	From	To		HHP Used		Annulus Pressure
Plug Depth 4205'	Packer Depth	From	To	Flush	Gas Volume		Total Load

Customer Representative				Station Manager DAVE SCOTT				Treater Robert Lulliner			
Service Units	19867	19959	20920	19966	19916						
Driver Names	Sullivan	Molcan		Phye							

Time	Casing Pressure	Tubing Pressure	Bbls. Pumped	Rate	Service Log
1130 AM					DN loc. Satisfactory
					Ran 99 JTS 5 1/2 - 14 CASING
					BASKET ON 1 AMT. 3, 5, 7, 9, 11
					Shoe 14'
0145					CASING ON BOTTOM
0200					Hook Rig To Break CIRC
0250 PM 100			24	5	Start Super Frack
			5		At 4 1/2" SPEAKER
			24		max cont 100 sk AM-2 cont
0302			5		Shut down AND wash pump & lines
0305	150			6	Release Plug AND Start Pump
	250		82	4	lift PSI
	400			35	Slow Rate
0325	1500		103	35	Plug down
			7	1.5	Plug R.H. in M.H.
					Job complete
					Thank you!

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WICHITA, KS



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